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Phase II Final Report: An Economic Analysis Of Proposed Court Consolidation in Iowa: A Case Study and Composite Rural County Approach For Examining The Impacts and Implications

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Phase II Final Report: An Economic Analysis Of Proposed Court Consolidation in Iowa: A Case Study and Composite Rural County Approach For Examining The Impacts and Implications

Abstract

This report is designed to foster discussion among citizens, leaders and policymakers regarding an important public issue of concern to Iowans. Iowa State University seeks to provide accurate research-based information on relevant issues and neither endorses nor opposes proposals regarding the issues analyzed. The research contained herein was conducted with partial support from the Iowa Agriculture and Home Economics Experiment Station (IABEES), Iowa State University Extension (ISUE) and funding from local officials in 40 Iowa counties collected by Rural Counties Against Regionalization (RCAR). RCAR funding was solely used for funding research assistance with the understanding that the goal of the project was to develop objective information sources for making reasonable judgments regarding consolidation issues. The project director explicitly avoided receiving financial gain from the project so as to prevent conflicts of interest, bias in research, and/or the appearance thereof

Disciplines

Agricultural and Resource Economics | Agricultural Economics | Regional Economics

ECONOMICS STAFF PAPER 258

**PHASE II FINAL REPORT: AN ECONOMIC ANALYSIS
OF PROPOSED COURT CONSOLIDATION IN IOWA:
A CASE STUDY AND COMPOSITE RURAL COUNTY APPROACH
FOR EXAMINING THE IMPACTS AND IMPLICATIONS ***

by

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AUGUST 19, 1994**

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** Mark A. Edelman, Ph.D. is Professor of Economics and Public Policy and Terry L. Raun, J.D. is Legal Research Consultant, Department, Iowa State University. Dr. Edelman is Campus Coordinator, Rural Policy Research Institute (RUPRI); Coordinator, Iowa Public Policy Education Project (PPEP); and has conducted numerous research and extension projects on public finance, education, health care and state and local government issues in Iowa.

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In addition, the authors give special thanks to the RCAR Organization for collecting and organizing support for this project from local government officials representing more than 40 Iowa counties. The RCAR Board is particularly to be acknowledged for its leadership, energy, ideas and commitment to rural Iowa: Adrian J. Mayer, RCAR Chairperson, Clarion; Brian James, Pocahontas; Scott D. Johnson, Mt Ayr; Steve Smith, Weldon; Mike Houser, Belmond; Fred Kestin, Rockwell City; and Perah Read, Marengo. This group of young Iowa leaders demonstrated courage because they were willing to stand up and insist on the facts rather than accept the consequences of decisions made with inadequate information.

The authors would like to acknowledge the cooperation received from the Office of the State Court Administrator. Finally, the authors would like to thank the Iowa Agriculture and Home Economics Experiment Station (IAHEES) and Iowa State University Extension (ISUE) for providing additional support.

This was a nontraditional project team involving individuals with legal and economics expertise. The result of this "unholy" alliance was that the content of the whole was greater than the sum of the parts. Insights and observations would have been missed if one type of expertise or the other had been excluded. As a result, the Project Director would like to acknowledge the outstanding contributions provided by Terry L. Raun, J.D. on this endeavor. Any errors or omissions remain the responsibility of the Project Director.

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I. SUMMARY OF FINDINGS AND RECOMMENDATIONS.

The following is a summary of study findings regarding the impacts of three Iowa court consolidation proposals developed by the State Court Administrator's Office in response to a request by the Iowa Supreme Court. The findings are based on (1) full cost analysis methodologies identified from a review of the literature and (2) composite rural county parameters and other reoccurring observations identified in case study interviews with officials in three rural Iowa counties.

1. When full costing methods are used, all of the consolidation plans would increase the net cost of court service delivery for rural Iowa counties possessing characteristics similar to composite rural county identified in this study.

* District Court consolidation as proposed in Options 1, 2 and 3 would annually increase the net cost of court service delivery for a composite rural Iowa county by \$52,851, \$93,819, and \$137,726, respectively, based on the assumptions outlined in this study.

2. Only two of the three consolidation proposals would generate savings in judge and recorder time and travel costs. However, these savings would be more than offset by additional clerk, jury and facility costs to be paid by the state.

* District Court consolidation as proposed in Option 1 does not generate savings in judge and recorder time and travel costs. Options 2 and 3 generate judge and recorder savings for the composite rural county of \$9,302 and \$18,604, respectively. However, clerk, jury and facilities increase costs to the state by \$8,040, \$35,410, and \$30,620 for Options 1, 2 and 3 respectively. Therefore the additional costs to the state are greater than the potential savings to the state.

3. All three consolidation proposals increase the court service delivery costs for local county agency budgets and citizens of the rural county with no offsetting savings from consolidation.

* District Court consolidation as proposed in Option 1, 2 and 3 result in additional costs for the composite rural county of \$44,811, \$67,711 and \$125,710, respectively.

4. All three consolidation proposals are likely to increase (rather than reduce) the net total cost of court service delivery in Iowa as a whole. This results because the net increase in costs of court service delivery in the rural counties for which court service activity would be reduced is not offset by identifiable savings generated in administration or counties for which court service activity is increased.

* District Court consolidation as proposed in Option 1, 2 and 3 would likely increase statewide costs to Iowa citizens by \$1.533 million, \$6.380 million, and \$11.844 million, respectively, based on assumptions outlined in this study.

5. Consolidation would likely lead to a redistribution of income and employment from rural counties to regional court centers.

* Lawyers not located in close proximity to the consolidated court center would become less competitive relative to those who are located in close proximity.

* Jail centers not located in close proximity to the consolidated court center would become less competitive.

6. The cost of citizen access to justice would increase in rural counties. This would likely reduce the probability of court system use in particular types of cases. As a result, rural citizens may have less than equal access to justice relative to citizens in urban areas.

* Local retailers and other citizens would incur more expense and time costs in seeking small claims judgements.

* Abuse victims would have less access to courts in rural areas when seeking timely protection orders from abuse.

7. The cost of local law enforcement in rural counties would either be increased or the public safety and protection provided by local law enforcement would be reduced in rural counties.

* All of the consolidation plans would increase officer time away from the county to perform law enforcement duties.

8. The cost of processing real estate transfers and mortgages would be increased in rural counties.

* All three of the consolidation plans would require that title searches, judgements and liens be researched in two locations which would add costs to real estate closing and mortgage lending processes in rural counties.

9. If case backlog is of paramount concern to the court system, this study provides evidence that consolidation is considerably less economically rational than simply hiring more judges and recorders to reduce the backlog of cases.

10. Deployment of telecommunications by the Iowa court system may potentially generate judge time and other court savings. However, new technology does not automatically increase staff and system productivity. Small pilot projects and training programs should be conducted to allow court officials and staff to experiment

with alternative technologies and to assess appropriate uses for specific legal procedures and processes before investments in training and equipment are adopted and/or mandated statewide.

11. It appears that the level of communication, flexibility and accountability for efficient use of staff resources in the District Clerks of Court offices could be improved. While formulas are useful as a guide, they do not necessarily assure effective communications or productive work effort nor do they allow flexibility for unique local circumstances. Moving the administrative authority from County Supervisors to District Court Administrators at regional locations may have reduced accountability and opportunity for flexibility. Institutional structures reviewed from (Utah) in Phase I and other multi-level government agencies may provide ideas for increasing local input and adjusting the present institutional structure for improving communication, flexibility, and accountability.

12. As long as a threshold level of crime and civil proceedings are generated by local citizens in sparsely populated counties dispersed across the state, a dispersed court organizational structure is likely to be more efficient in serving dispersed citizen needs compared to a centralized court structure.

13. This study did not examine the smallest counties in Iowa. The counties selected for this case study provide some indications that the threshold economies of size for court service delivery may exist at county populations of less than 5,000 to 10,000 people per county. The threshold levels of efficient work productivity and employment would appear to exist when a minimum complement of cost efficient resources are fully employed. However, even in these cases where these threshold economies are not met, it is not clear that alternative court structures would be more economical than the present system without further study.

14. In cases where the incidence of crime and civil procedures may not be sufficient to justify a court service day every other week, more detailed cost analysis is warranted on a case by case basis. If such studies are conducted to determine whether consolidation would generate state and/or local savings, perhaps a combination of state and local interests should be involved in commissioning or guiding the study. Even in these small counties, local citizens still may prefer to pay \$10 to \$20 more per citizen compared to other counties in order to retain local court services and local access to the justice system.

II. METHODS.

A search of economics and law literature was conducted in Phase I of this study. The literature review revealed several key aspects regarding partial and full costing methodologies for conducting comparative cost analyses of rural and urban court services. Phase I outlined three consolidation concepts developed for public discussion by the Office of the State Court Administrator in response to a request by the Iowa Supreme Court. Finally, in Phase I of this study, a full costing framework of hypothesized impacts was developed for analyzing expected impacts of the consolidation plans compared to a baseline of the present system.

It was determined that secondary data available from the State Court Administrator was only sufficient for conducting a partial budgeting analysis of court service delivery consolidation impacts. As cited in a California study, 56 percent of the cost of court service delivery is paid from budgets other than the court system budget. Excluded are court service costs paid for from budgets for local law enforcement, attorneys, human service agencies, buildings and operations, etc. As a result, statewide comparative cost analysis methods were dropped in favor of a case study cost engineering approach to develop estimates using full cost methodologies for a composite rural county.

The design of the case study approach included site visits to three counties selected for their rural nature and geographic diversity within Iowa. The counties selected were Buchanan, Calhoun and Decatur. The 1990 Census population for the counties were 20,844, 11,508 and 8,338, respectively. Site visits were conducted during February, March, April and May, 1994.

Site visits were used to gather interview data from a diverse set of court and non court officials involved with and/or impacted by court service delivery. The interviews were designed to review the proposed consolidation alternatives and to identify the nature and scope of direct budgetary impacts on the respective agency budgets of the interviewee and the indirect impacts on the citizens of the county. Direct budget impacts common across the three rural counties were then used to construct a composite rural county baseline and full cost estimates for the direct impacts of the three consolidation proposals.

Officials in each county selected presumed the regional court service delivery center would be located outside their respective counties. Therefore, the composite rural county impacts estimated are only representative of counties likely to experience a loss in court service delivery. Under the various proposals considered, the number of counties in this category range from 29 to 86 counties. This study does not examine the detailed impacts of counties in which regional court services are likely to be located if the alternative court service delivery plans are implemented.

The study does examine likely statewide macro impacts in a superficial way based on key presumptions outlined in Section V. The validity of the statewide impacts rest on the validity of the assumptions made regarding impacts in counties that would become hosts to the regional court centers as a part of consolidation.

III. REVIEW OF CONSOLIDATION OPTIONS AND AUTHORITY.

A. Consolidation Options.

Public concern over crime is at a high level in the state and nation. Caseloads for court systems are rising. Yet, state budgetary and fiscal problems in all but a few states are placing additional financial pressures on state court systems. As a result, the financial pressures on Iowa's courts are similar to those experienced in many other states. Increasing caseloads coupled with constrained funding from state legislatures are forcing state court systems to develop new organization structures, management procedures and financing mechanisms to fund court operations while providing equal access to justice.

During a 1993 legislative address, the Chief Justice of the Iowa Supreme Court cited the dramatic increases in caseloads faced by the Iowa court system. "Since 1988, the number of criminal cases filed in our courts has increased more than 45 percent. Last year alone, criminal filings jumped more than 10 percent. Civil filings have risen nearly 30 percent in the last five years. This year, there were almost 15 percent more case filings. This growing burden is compounded by the fact that a greater percentage of cases are going to trial."

Actual Judicial Department appropriation numbers from the Legislative Fiscal Bureau show an appropriation cut of 0.5 percent for FY92, a 6.6 percent increase for FY93, a 2.1 percent increase for FY94 and a 7.1 percent increase for FY95.

The Chief Justice's address suggested the increase in caseload is a partial result of legislative changes in state laws and additional resources appropriated to law enforcement without corresponding increases to the court system for adjudicating the increased caseload.

The Chief Justice suggested in his remarks that the Iowa District Courts may have to be consolidated to assist the Supreme Court in managing the financial restraints imposed upon the court system by the Legislature. In response to the Chief Justice's request for a consolidation plans, the State Court Administrator distributed information regarding three district court consolidation alternatives for public discussion purposes:

Option 1.

- * Consolidate 29 District Clerk of Court offices.
- * Continue to provide judicial services in all counties when necessary, including court service day, hearings and trial.
- * Move current court records to a regional center, and keep old court records in the original county.
- * Keep jury service in all counties.
- * Require Clerk of Court staff to travel to individual counties to staff court proceedings.

Option 2.

- * Consolidate and reduce the number of District Clerk of Court offices from 100 to 31.
- * Conduct judicial services in regional centers.
- * Move current court records to regional centers.
- * Keep old court records in original county.
- * Create multi-county jury selection process.

Option 3.

- * Consolidate and reduce number of District Clerk of Court offices from 100 to 13.
- * One Clerk of Court office per judicial sub-district.
- * Limit judicial services to sub-district litigation centers.
- * Move current court records to regional center.
- * Keep old court records in original county.
- * Create sub-district jury selection process.

In considering the consolidation options requested by the Supreme Court, the State Court Administrator's Office noted some of the possible adverse effects of consolidation. First, it is suggested that costs will likely increase for litigants, abstractors, banks, business owners, real estate agents, child support payers and recipients, law enforcement, lawyers, municipalities and state agencies. Second, his office suggests that larger court facilities will be needed in regional locations and they must be built at county and/or state expense. Third, it is suggested that consolidation may limit public access to justice. As it turns out, this study provides evidence that the State Court Administrator's hypotheses were largely correct.

B. Who has the authority to restructure Iowa Courts?

Article V. Section 4 of the Iowa Constitution states that the Supreme Court shall have power to issue all writs and process necessary secure justice to parties, and shall exercise a supervisory and administrative control over all inferior judicial tribunals throughout the state. As a result, the Supreme Court, Chief Justice and State Court Administrator possess authority and responsibility for developing and approving administrative structures, processes and procedures for implementing a court

system that provides the citizens of Iowa with access to fair and equal justice.

Article V. Section 10 of the Iowa Constitution states that the general assembly may reorganize the judicial districts and increase or diminish the number of districts, or the number of judges of the said court.

Iowa Code 603.6205 requires court services to be provided in all counties maintaining space for the district court. Therefore, consolidation of Iowa's district courts as outlined by the State Court Administrator, would require approval by the Supreme Court and approval by the General Assembly. At the same time, local officials are not without leverage. Office space and utilities are provided by the County Supervisors. Law enforcement, attorney fees, and many other costs are paid for locally through taxes or directly by citizen residents.

IV. COMPOSITE SUMMARY OF OBSERVATIONS FROM RURAL COUNTIES.

The following observations represent a composite picture of local officials reactions to the consolidation proposals and their perceptions of the impacts of the consolidation proposals on their agency's budgets, performance and impacts on local citizens served. Each observation in this section was expressed by at least two officials in case study counties investigated.

A. LAW ENFORCEMENT OBSERVATIONS IN COMMON.

1. AVAILABILITY AND ACCESS OF COURT PERSONNEL.

Law enforcement officials in all three counties expressed concern over the level of contact which must be maintained between law enforcement and the District Clerk of Court under the various consolidation plans. Daily access was a high priority to the officers. Similarly, the availability of Court Magistrates was noted to be essential to the ability of law enforcement to obtain search warrants and emergency orders when District Court Judges were not available. Law enforcement personnel contend that without daily contact and/or local access, they would not be able to complete a majority of their work and/or provide the safe level of law enforcement for their communities as compared to the current court structure.

2. TRANSPORTATION OF PRISONERS.

Law enforcement officials in all three counties indicated a concern over increased transportation costs and officer time required to transport prisoners under all of the consolidation plans. Two of the law enforcement officials indicated they would need an additional FTE of officer time and an additional car to cover the additional transportation requirements.

In assessing these impacts, it was noted that each county was subject to different circumstances regarding the housing of prisoners. County A has no facilities and must transport prisoners to a jail in a nearby county. County C has enough cells for its own use only. County B currently generates a profit from the provision of cells to counties who either do not have any facilities or lack adequate facilities.

County B would to absorb the additional costs of automobile transport from the jail in the current court house to the court room in the new facility. County C may not only incur the additional cost of transportation, but may also lose revenue from the leasing of fewer slots of jail bed space to other counties. County A would still transport prisoners as it does now, until current contracts are renegotiated. As a result, County A would initially be forced to travel west to another county to pickup prisoners and then drive back across the county and into another county to the east to bring prisoners to court hearings. Eventually, County A may select a more expensive jail in closer proximity to the regional court center to lower travel cost.

Transportation of prisoners out of county would result in increased costs in the form of additional deputy time during prisoner transportation, gasoline and maintenance costs for use of the Sheriff's cars, and additional new car purchases related to higher mileage traveled. County B suggested the state should be forced to absorb this additional expense and these costs should be included when potential court consolidation savings are figured. Two of the counties raised the additional issues of special transportation needs of mental health patients, potential location of hearings and the other associated costs to the departments. In some cases these hearing are now conducted on site at the hospital so transportation costs and deputy time are not incurred in transporting these patients to the county courthouse.

The potential increase in liability was mentioned by law enforcement officers. Law enforcement officers saw a increase in the potential for more accidents and escape of prisoners which might affect departmental insurance premiums and costs. Also mentioned was the opportunity cost involved in removing officers from patrol and emergency calls. Additionally, each law enforcement officer mentioned the deterrence and safety value of having officers patrolling local communities and responding to emergencies. Removing officers from these duties to transport prisoners out of county would reduce safety and crime deterrence. One individual speculated that arrest rates would drop due to consolidation because the county would be less able to afford making the same number of arrests, and then transporting and housing defendants.

3. TRANSPORTATION OF RECORDS.

Law enforcement officers in all counties raised the issue of the County Sheriff's responsibility for transporting court records with the prisoners. All agreed the movement of records at the initiation of prisoners or during trial could prove to be problematic and costly.

All three law enforcement officials raised concerns about the ability to access proper records at the time. Access to records are needed for ongoing investigation purposes in the local community and for refreshing the arresting officer's memory and recollections prior to trial etc. They indicated all three options would likely be more confusing and less manageable for the officers, county attorneys and the clerks who require access to the files.

4. WITNESSES, JURIES AND COURT APPEARANCES FOR OFFICERS.

The law enforcement officers indicated they thought defendant's witnesses and other litigants would face increased time commitments and monetary costs of additional travel. This results from increased time away from employment, overnight stays away from family, inability to access transportation and travel time. As a result, witnesses and jury members are less likely to follow through on court-related responsibilities. In addition, consolidation would likely increase witness and jury travel costs for the state, the county and the litigants.

5. IMPACTS ON RELATIONSHIPS AMONG LAW ENFORCEMENT AGENCIES.

The possibility of conflict between the Sheriff's department and other law enforcement agencies in the same jurisdictional boundaries of the county is potentially created by two factors:

(1) Any law enforcement official with the power to give a citation has the option to charge the accused with a city/state/municipal violation or the officer may chose to charge a county violation. Traditionally, the decision of the type of charge was made after considering the potential fine from each entity or other similar factors. If consolidation were to occur, who pays for the custodial care and transport of the prisoners would likely become a more important issue. If the arresting officer chooses to charge the accused with a county violation, then the moneys generated from the fine go to the county. If the accused is charged under other codes, the fine revenue may go to different jurisdiction. However, the costs and responsibility of transporting and jailing the defendant may continue to remain with the county.

(2) In response, the county officers may use a summons after a violation rather than choosing to arrest a suspect. This tactic keeps the accused out of jail. This results in a financial

benefit to the county. An accused person who has been issued a summons does not have to spend the night in jail before arraignment. This saves the County the costs of transporting the accused to the jail, from the jail, to the hearing and then potentially back to the jail again. As stated by one county sheriff, a person who may have spent the night in jail, if the funds were available, will now spend the night at large in the community.

B. CLERKS OF DISTRICT COURT OBSERVATIONS IN COMMON.

1. SAVINGS FROM STAFF REALLOCATION IS QUESTIONED.

Under each court consolidation option, the current storage of records would be disrupted and some storage or additional transportation of records would likely occur. Responsibility for transporting records could become a logistical problem, as would keeping any duplicate records up to date. During use, copying and transportation some of the records may be accidentally destroyed, damaged or unintentionally altered. Questions may arise as to which record was the official record, the one at the original court house or the one at the regional court center.

The clerks suggested that requiring a portion of court records for a given county to be stored in two locations would likely require more staff rather than less staff. Documents at two locations would have to be searched before legal proceedings.

Currently, District Judges travel to rural counties on court service days every week or every other week in some cases. Typically the court reporter travels with them. Under some of the consolidation plans, it appears that the clerk would also travel with the judge.

This may lead to some additional travel expense, however this cost would be mitigated by traveling together. But in total, requiring the court clerk to travel represents a net increase personnel travel time away from other court service duties that might otherwise be preformed.

2. REDUCED CONTACT AND INCREASED COSTS FOR COURT SYSTEM USERS.

All Clerks expressed concerns about reduced impacts on the daily lives of citizens seeking justice as well as business and professional users of the system. Reduced access to judicial system was cited as a particular concern for several potentially underserved populations, including individuals with limited resources, limited transportation, or those who have limited access to time off from work. In addition, those who have been cited by the police may not be able to afford the extended drive to another county to fight a citation, which they otherwise might have successfully disputed. Those who still choose to assert

their right to challenge will suffer higher attorneys' fees due to the extra travel time and mileage costs for their attorney associated with representation under a consolidation system.

Those who are subject to physical abuse situations and seek protection orders maybe become even more vulnerable under the consolidation schemes. More pro-se domestic abuse cases are being filed by families in rural areas. An essential element of resolving abusive situations is the opportunity for victims to have quick and easy access to Judges for signing protection orders. It is often a difficult step for the victims of domestic violence to seek assistance. Placing the additional hurdle of traveling out-of-county to see a judge may restrict the opportunity for victims to obtain what protection the court system currently can offer. The clerk's unanimously believed that consolidation of rural county courts would increase the vulnerability of victims of domestic abuse.

The clerks believe more people would forego the benefits of justice and costs would increase for those that do not. The cost of small claims actions would increase. A substantial number of actions filed in the clerk's offices are for small claims cases. All three clerk stated that, without easy access to a judge for these actions, businesses and citizens in the county would less likely to seek redress for their losses. As travel time and time away from the business increase, the cost of pursuing small claims actions is more likely to increase to a point where it is greater than the amount that would be received by payment of bad debts, etc. Fewer people would use small claims court to settle such issues. Small claims are seen as an means for mediating disputes and stresses between neighbors in small communities. One clerk was concerned that, without access to external justice, more people may take disputes into their own hands and commit more serious crimes in retribution.

The costs of all real estate transactions and mortgages would increase because required title searches and judgement checks would require increased travel to search court records in two locations instead of one. In order to perfect a financial interest or conduct a title search, the title must be located and checked for liens. If court records of divorce or previous suits against the goods were stored in separate places, the costs of perfecting an interest and title searches would rise causing a corresponding rise in costs of mortgages and real estate sales.

3. COURT SYSTEM PERFORMANCE MAY BE REDUCED RATHER THAN ENHANCED.

Because of last minute changes in case schedules, having documents stored in two locations and having Clerks and documents travel with the Judges may become problematic. The case schedules of Judges are often changed at the last minute due to the nature of the negotiations going on by the respective attorneys. As a result, the judicial processes may be slowed

because last minute changes in case schedules could not be accommodated by changes in the documents needed before proceeding. At least one clerk suggested it would be cheaper to hire more District Court Judges than to consider consolidation. The Clerks of the Court expressed concern that court system may enjoy less public support after consolidation and that consolidation may increase rural-urban divisions in the state.

4. CONCERNS OVER LACK OF RECORDS STORAGE AND ELECTRONIC MEANS.

Lack of documents storage space for current court records is a concern for all three clerks. Each office is being forced to innovate and design new strategies for storing documents. In some cases court files are stored on different floors and limited storage space is being shared with the other administrative agencies housed in the courthouse building. In one county, additional storage space is being rented.

All clerks expressed disappointment and concern over the practicality of electronic storage. None of the three clerks have access to the Court System's ICIS terminals. However, the initial system was intended to extend to all county courthouses. At present, the clerks view ICIS as involving more work rather than streamlining of the system. They suggest the promises were much greater than the reality after the system was implemented. The clerks believe the new ICIS system did not improve productivity for clerks as a group, and that "bugs are still in the system" which prevent practical use. One expressed elation that they do not have the system and that it will not likely be put in until "more of the bugs are worked out" of the present system.

None of the clerk's offices presently use fax machines. It is unclear to clerks whether fax copies of documents would be allowable for some judicial purposes. Presently judges apparently differ in their attitudes regarding the use of duplicates in court documents and under which circumstances such use may be appropriate.

All clerks expressed skepticism regarding the potential for using fiber optics to greatly alter the work activity in the Clerks offices or for improving the performance or reducing costs in local court services. They observed that much depends upon development of practical examples of use and demonstrated acceptance by the judges. It was suggested that Iowa's expensive ICIS experience does not bode well for demonstrating an ability of the state to improve productivity in court service delivery using new electronic technology. This argues for developing a limited number of pilot projects for specific uses and evaluation of performance before extensive plans for use of fiber optics are adopted statewide.

5. CONCERNS OVER COST OF NEW REGIONAL COURT FACILITIES.

To accomplish consolidation, new court facilities would need to be built. The clerks believe the facilities in the counties likely to be selected for regional court centers are presently not of sufficient size to handle court services for a whole multi-county region. Multiple court rooms, support staff and documents storage would require a new facility for the long term.

6. CONCERNS OVER STAFF ALLOCATION FORMULAS.

Two of the three clerks expressed concern that the state formulas for allocating clerk staff do not reflect unique circumstances thought to cause a higher workload in their particular counties. In one county mental health cases increase the workload due to the local proximity of a mental health hospital. In another county, proximity to the interstate traffic and a state border generates more workload. Under the previous system, each clerk annually had an opportunity to present and justify budget requests to the County Board of Supervisors. Apparently, there is less opportunity for the clerks to justify local budgets under the current District Court System budgeting process.

Local officials in two counties felt the local Clerk of Court offices were generally understaffed to adequately staffed. Local officials in the third county felt the local Clerk of Court office was adequately staffed to overstaffed, but also felt that the District Court Administrator's office was adequately staffed to overstaffed as well. However, one local official stated that after consolidation, it would become more difficult to determine if the local and/or regional offices are overstaffed or understaffed. It was observed that these issues would not be resolved by consolidation, but may become more difficult to resolve after consolidation occurs.

C. JUDGES AND MAGISTRATE OBSERVATIONS IN COMMON.

1. SOME JUDGES FEEL THEY TRAVEL TOO MUCH.

Iowa Judges serving courts in rural counties travel extensively. One Judge recalled that he traveled 20,000 miles during his first year. Judges who have the least tenure are the ones who travel more. However, all judges commented that travel time is a concern. While the judges interviewed do not necessarily favor consolidation as a means for reducing judge travel, they all indicated that they believe this is the primary reason why the consolidation plans were proposed.

Alternatively, one of the judges suggested hiring more judges to balance the caseload over time and to reduce the travel time per judge. Unlike law enforcement and the clerks of court, the judges were not uniform in their belief that more magistrates would

solve current problems. One judge saw magistrates as having reached their maximum function and what was necessary to speed up case processing is more associate judges. Another judge indicated that not all counties have magistrates and that magistrates should be located in every county before additional District Judges are added. However, one judge stated that he did not believe that there really was a scheduling problem in the courts, and he thought consolidation was a moot point.

Rural county courts do not have the same access to judges. Some counties have more than one judge, while other counties have judges only once or twice a month. The number of scheduled hours corresponds to the number of cases generated in the county and the travel schedule of the judges.

In response to increased travel time, Judges in some Iowa Court Districts decided to stop the practice of spending 1/2 days every week in service at one court before traveling to another court for another 1/2 court service day. Instead the present policy is to service these rural counties with a full court service day every other week.

2. WOULD MAGISTRATES BE LOCAL OR AT THE REGIONAL CENTER?

The magistrate is often the judicial officer that law enforcement turns to for assistance with search and arrest warrants. Iowa state law requires that a criminal defendant have the right to an initial appearance within 24 hours of arrest. Consolidation of the courts would make this increasingly difficult to achieve if Magistrates are also located in the regional court centers. Both magistrates and judges agree that under consolidation each county would still need a local magistrate for search warrants and other allowable tasks. Magistrates have to have significant contact and depend on the clerk's office staff to accomplish many of their essential functions. Therefore, if magistrates are needed locally, a minimum level of clerk support staffing is necessary in each county.

3. TELECOMMUNICATIONS TECHNOLOGY AS A METHOD OF LIMITING TRAVEL.

All of the judges were willing to use conference calls for some of the less critical aspects of judicial work, but a difference of opinion existed as to the appropriateness of other forms of technology. The first issue was the allowability of phone, video and fax work through statute. Without supporting law, none of the judges would be willing to participate in video conferences or hearings without emergency extenuating circumstances. At least two Judges stated a preference for having the attorneys present for conferences. Two of the judges noted that the courts had a problem with use of paper and some means of electronic storage of data and documents would be preferable to hard copy transmittal of information. It was acknowledged that some problems with reliability and protection of electronic documentation was also a

problem. Yet, the judges generally approve the use of pilot projects and studies in Iowa courts to experiment with and determine which uses of telecommunications for various legal processes might be appropriate and/or not appropriate.

4. EFFECT ON LOCAL ATTORNEYS AND LAW ENFORCEMENT.

The judges believe that consolidation of the courts into regional centers would eventually cause the consolidation of local attorney practices, jails and law enforcement coordination into regional court centers. One judge cited the loss of federal court in a neighboring county as causing the loss of federal business and attorneys associated with federal practice.

5. REDUCED CITIZEN ACCESS TO JUSTICE AND INCREASED COST.

The Judges raised concerns similar to those mentioned by other local officials regarding reduced availability of judicial protection for rural citizens justice, increased costs for citizens to seek justice and increasing incidence of justice foregone by citizens in rural counties who decide not to access the court system.

6. STORING COURT RECORDS IN MORE THAN ONE LOCATION WOULD BE A PROBLEM.

All judges agreed that coordinating the storage and transportation of records to and from more than one location would be problem. Examples similar to those provided by other local officials were expressed.

7. COSTS OF NEW REGIONAL COURT FACILITIES.

The judges also believed that building new regional court facilities large enough to house documents storage and courtrooms for the region would be costly and may likely make consolidation unfeasible.

D. COUNTY ATTORNEY OBSERVATIONS IN COMMON.

1. CONCERNS OVER INCREASED ATTORNEY TRAVEL AND OFFICE COSTS.

County Attorneys were resoundingly opposed to consolidation. All attorneys offices have extensive daily interaction with the clerks office and attorneys have substantial contact with the clerks for non-court related issues. One county attorney asked, "Where does the County Attorney work and have an office?" He related that the county attorney does both criminal and civil work and prefers to operate at one location. The consolidation plans would likely force the County Attorney to spend significant time at two locations to be effective in investigating and

representing county interests. Two of the county attorneys indicated they estimate an additional 1/2 FTE of time in their office in order to accommodate additional travel and legal work at two locations--in the county and at the regional court center.

2. LOSS OF LOCAL LEGAL BUSINESS.

The attorneys believe that local attorneys would suffer a loss of business. Some would be forced to terminate their practices in rural counties and move to cities or areas where the consolidated court house is located. In turn, communities without a regional court center will likely suffer an economic loss derived from these local attorneys. Other local officials interviewed also saw this loss of legal services as just another step in the erosion of essential infrastructure that supports rural communities.

One interviewee who is part time County Attorney stated that added travel time for a rural attorney will increase the cost for clients who use small town practitioners. This gives a competitive edge to attorneys who are located near the regional court center. He indicated that rural citizens often prefer to have a local attorney represent them in a case, but the increased cost of transportation will cause these clients to seek regional court center attorneys at the margin.

In many small and rural counties, the county attorney often has a diversified legal practice and performs several roles. Whereas urban lawyers tend to be more specialized. The county attorney is often part time in a rural county and has a private legal practice in addition to this role. The county attorney for the county handles all the criminal charges brought, and all the civil and contracting needs of the county.

The attorneys viewed consolidation cost savings to be illusory and thought costs would simply be shifted to the ultimate users of the system in the form of higher fees, travel costs and/or the costs of not being able to access the court system.

The attorneys indicated that lawsuits that would otherwise be settled will not be brought because of the added costs of transportation and time away from the county. Finally, rural attorneys may increasingly become more selective in taking the cases with larger dollar claims because smaller cases may not cover the travel time and costs of trying a case out of county.

3. REDUCED CITIZEN ACCESS TO JUSTICE AND INCREASES IN COSTS.

One attorney specifically stressed a concern over effective erosion of the Constitutional protection of equal justice by reducing the service to small towns and rural areas. Similar to other local officials, the attorneys expressed concerns about reducing the access and increasing the costs for local citizens as a result of consolidation.

4. RECORDS STORAGE AND RETRIEVAL PROBLEMS.

Probation cases and dissolutions often last for more than a year and there would be extreme difficulty with the storage of needed records. Often attorneys need to look at a file in person to prep for a trial and with traveling records this would be impossible. Birth and death records would be difficult to track.

Abstracting, which is a source of income that keeps rural offices open for some attorneys, would be made much more costly and less efficient. In turn, this would likely increase the cost of real estate transactions. Clerks would have more difficulty in keeping track all the necessary files for a single search.

5. EROSION IN THE QUALITY OF JUSTICE RECEIVED.

More than one attorney indicated that the quality of contact between the judge, attorneys, defendants, witnesses and others with local knowledge of those involved are important factors that contribute to enhancing the judicial process and appropriateness of sentences to fit the crime. Opportunity for quality contact would be eroded by consolidation.

V. DETAILED COST ANALYSIS FOR COMPOSITE RURAL COUNTY.

This study develops cost estimates based on assumptions outlined below, the analysis framework outlined in Section II, the consolidation options outlined in Section III and the composite rural county conditions described in Section IV. In addition, a more extensive set of field notes from the interviews conducted in the case study counties are on file. It is important to recognize that the following assumptions and cost estimates represent only one set of assumptions that are plausible based on the detailed interviews. The full cost framework allows other researchers to alter the assumptions if a given set of county circumstances are different from those outlined for the composite rural Iowa county. The estimates below simply represent the authors' best judgement based on field interviews with local officials in three rural Iowa counties selected for this study.

Assumptions:

1. The baseline is assumed to be a continuation of the present system.
2. There is no change in the technology presently used by the Iowa court system and District Clerk of Court Offices.
3. The one time costs of transition from the current situation to another consolidation alternative is not considered in this study.
4. Only direct operating and facilities cost are considered in this comparative static analysis.

5. The full direct costs are only considered for the court services generated by that of a composite rural county.
6. The indirect impacts of net gains and/or losses in jobs and local economic activity are not considered in this analysis.
7. Assumes Judges, Recorders and Clerks assigned to Regional Court Center locations travel from that point in the baseline scenario.

TABLE 1. COURT CONSOLIDATION PLAN 1 ANALYSIS OF IMPACTS FOR COURT SERVICES GENERATED BY A COMPOSITE RURAL COUNTY IN IOWA.

A. TOTAL ADDITIONAL COSTS FOR COMPOSITE COUNTY/CITIZENS - \$44,811

Additional Law Enforcement Costs - \$5,840
 60 miles, 50 weeks, 28c/mile - \$840
 .25 FTE additional deputy time - \$5,000
 Additional County Attorney Costs - \$5,840
 60 miles, 50 weeks, 28c/mile - \$840
 .25 FTE additional staff time - \$5,000
 Additional Witness Expense - \$0
 Additional Trial Litigant Expense - \$551
 6 trials, 60 miles, 1 trip/trial, 28c/mile - \$101
 Additional attorney time, \$75/hr - \$450
 Additional Nontrial Litigant Expense - \$9,180
 60 miles, 100 trips requiring attorney travel
 Travel \$1,680
 Extra attorney and personal time - \$7,500
 Additional Abstractor/Realtor Title Search Expense - \$11,700
 60 miles, 50 trips, 5 abstractors 28c/mile
 Travel - \$4,200
 Additional abstractor time, \$7,500
 Additional Mortgage Lender Lien Search Expense - \$11,700
 60 miles, 50 trips, 5 lenders, 28c/mile
 Travel - \$4,200
 Additional examiner time, \$7,500
 Assumes no reduction in facility cost presently paid by county

B. TOTAL ADDITIONAL COSTS TO STATE FROM COMPOSITE COUNTY - \$8,040

Additional Clerk Time/Travel Costs Allocated to County - \$2,040
 60 miles, 50 trips, travel pooled with judges.
 Additional Clerk time at \$30/hr. - \$1,500
 Extra Clerk Time to the County for trials - \$540
 Additional Jury Expense Allocated to County - \$0
 Additional Facilities Cost Allocated Share to County Use - \$6,000
 1,000 sq. feet at \$6.00 per sq. ft assumed paid by state

C. TOTAL STATE SAVINGS IN JUDGE/RECORDER TRAVEL - \$0

Judge and Recorder Time/Travel Savings Allocated to County - \$0

TOTAL ADDITIONAL COSTS TO COUNTY AND CITIZENS PART A	\$44,811
TOTAL ADDITIONAL COSTS TO STATE PART B	\$ 8,040
TOTAL ADDITIONAL COSTS TO STATE AND COUNTY COMBINED	\$52,851
TOTAL SAVINGS TO STATE PART C	\$ 0
NET COST INCREASE FOR COMPOSITE COUNTY COURT SERVICES	\$52,851

TABLE 2. COURT CONSOLIDATION PLAN 2 ANALYSIS OF IMPACTS FOR COURT SERVICES GENERATED BY A COMPOSITE RURAL COUNTY IN IOWA.

A. TOTAL ADDITIONAL COSTS FOR COMPOSITE COUNTY/CITIZENS - \$67,711

Additional Law Enforcement Costs - \$14,200
 15,000 miles, 28c/mile - \$4,200
 .5 FTE additional deputy time - \$10,000
 Additional County Attorney Costs - \$7,100
 7,500 miles, 28c/mile - \$2,100
 .25 FTE additional staff time - \$5,000
 Additional Witness Expense - \$8,705
 6 trials, 6 witnesses/trial, 3 days/trial
 60 miles, meals and lodging at \$75/day
 Travel at 28 cents/mile - \$605
 Lodging and meals - \$8,100
 Additional Trial Litigant Expense - \$5,126
 6 trials, 60 miles, 8 trips/trial, 28c/mile - \$806
 Total 48 hrs for two attorneys, \$75/hr - \$3,600
 Extra personal time away from employment, \$15/hr - \$720
 Additional Nontrial Litigant Expense - \$9,180
 60 miles, 100 trips requiring attorney travel
 Travel \$1,680
 Extra attorney and personal time - \$7,500
 Additional Abstractor/Realtor Title Search Expense - \$11,700
 Travel 60 miles, 50 trips, 5 abstractors, 28c/mile - \$4,200
 Additional abstractor time, \$7,500
 Additional Mortgage Lender Lien Search Expense - \$11,700
 Travel 60 miles, 50 trips, 5 lenders, 28c/mile - \$4,200
 Additional examiner time, \$7,500
 Assumes no reduction in facility cost presently paid by county

B. TOTAL ADDITIONAL COSTS TO STATE FOR COMPOSITE COUNTY - \$35,410

Clerk Time/Travel Costs (Savings) Allocated to County - \$0
 Additional Jury Expense Allocated to County - \$17,410
 6 trials, 12 jury members/trial, 3 days/trial
 \$75 meals and lodging per day - \$16,200
 60 miles/trip, 28 cents/mile - \$1,210
 Additional Facility Cost Allocated Share to County Use - \$18,000
 3,000 sq feet at \$6.00 per sq ft assumed paid by state

C. TOTAL STATE SAVINGS IN JUDGE/RECORDER TIME/TRAVEL - \$9,302

Judge Time, 60 miles/week, 50 weeks, at \$90/hr - \$4,500
 Recorder Time at \$30/hr - \$1,500
 Travel Savings at 28 cents/mi - \$840
 Extra Judge Time for Trials in County - \$1,620
 Extra/Recorder Time for Trials in County - \$540
 Extra Travel Savings for Trials in County - \$302

TOTAL ADDITIONAL COSTS TO COUNTY AND CITIZENS PART A	\$ 67,711
TOTAL ADDITIONAL COSTS TO STATE PART B	\$ 35,410
TOTAL ADDITIONAL COSTS TO STATE AND COUNTY COMBINED	\$103,121
TOTAL SAVINGS TO STATE PART C	\$ 9,302
NET COST INCREASE FOR COMPOSITE COUNTY COURT SERVICES	\$ 93,819

TABLE 3. COURT CONSOLIDATION PLAN 3 ANALYSIS OF IMPACTS FOR COURT SERVICES GENERATED BY A COMPOSITE RURAL COUNTY IN IOWA.

A. TOTAL ADDITIONAL COSTS FOR COMPOSITE COUNTY/CITIZENS-	\$125,710
Additional Law Enforcement Costs -	\$28,400
30,000 miles, 28 cents/mile -	\$8,400
1 FTE additional deputy time -	\$20,000
Additional County Attorney Costs -	\$14,200
15,000 miles, 28 cents/mile -	\$4,200
.5 FTE additional staff time -	\$10,000
Additional Witness Expense -	\$9,310
6 trials, 6 witnesses/trial, 3 days/trial	
120 miles, meals and lodging at \$75/day	
Travel at 28 cents/mile -	\$1,210
Lodging and meals -	\$8,100
Additional Trial Litigant Expense -	\$8,640
6 trials, 120 miles, 8 trips/trial, 28c/mile -	\$1,612
Total 96 hrs for two attorneys, \$75/hr -	\$7,200
Extra personal time away from employment, \$15/hr -	\$1,440
Additional Nontrial Litigant Expense -	\$18,360
120 miles, 100 trips requiring attorney travel	
Travel	\$3,360
Extra attorney and personal time -	\$15,000
Additional Abstractor/Realtor Title Search Expense -	\$23,400
Travel 120 miles, 50 trips, 5 abstractors, 28c/mile -	\$8,400
Additional abstractor time,	\$15,000
Additional Mortgage Lender Lien Search Expense -	\$23,400
Travel 120 miles, 50 trips, 5 lenders, 28c/mile -	\$8,400
Additional examiner time,	\$15,000
Assumes no reduction in facility cost presently paid by county	
B. TOTAL ADDITIONAL COSTS TO STATE FOR COMPOSITE COUNTY -	\$30,620
Clerk Time/Travel Costs (Savings) Allocated to County -	\$0
Additional Jury Expense Allocated to County -	\$18,620
6 trials, 12 jury members/trial, 3 days/trial	
\$75 meals and lodging per day -	\$16,200
120 miles/trip, 28 cents/mile -	\$2,420
Additional Facility Cost Allocated Share to County Use -	\$12,000
2,000 sq feet at \$6.00 per sq ft assumed paid by state	
C. TOTAL STATE SAVINGS IN JUDGE/RECORDER TIME/TRAVEL -	\$18,604
Judge Time, 120 miles/week, 50 weeks, at \$90/hr -	\$9,000
Recorder Time at \$30/hr -	\$3,000
Travel Savings at 28 cents/mi -	\$1,680
Extra Judge Time for Trials in County -	\$3,240
Extra/Recorder Time for Trials in County -	\$1,080
Extra Travel Savings for Trials in County -	\$604
TOTAL ADDITIONAL COSTS TO COUNTY AND CITIZENS PART A	\$125,710
TOTAL ADDITIONAL COSTS TO STATE PART B	\$ 30,620
TOTAL ADDITIONAL COSTS TO STATE AND COUNTY COMBINED	\$156,330
TOTAL SAVINGS TO STATE PART C	\$ 18,604
NET COST INCREASE FOR COMPOSITE COUNTY COURT SERVICES	\$137,726

VI. ESTIMATES OF STATEWIDE MACRO IMPACTS OF CONSOLIDATION.

Statewide estimates of direct impacts from the proposed court consolidation are developed below. The validity of these estimates require three additional assumptions as follows:

1. The composite rural county impacts are representative of the average direct impacts likely to occur in Iowa counties experiencing a decline in court activity as a result of the consolidation plans.
2. The average direct impacts on locally generated court service costs are negligible for in Iowa counties experiencing an increase in regional court service activity as a result of the consolidation plans.
3. Negative indirect employment and income effects in Iowa counties experiencing a decline in court service activity resulting from consolidation are offset by indirect employment and income effects in Iowa counties experiencing an increase in regional court activity. No transitional costs are considered.

OPTION 1. STATEWIDE DIRECT COST ESTIMATES OF CONSOLIDATION. (CLERK SERVICES REDUCED IN 29 COUNTIES)

	Composite County	State Total
ADDITIONAL COSTS TO COUNTY/CITIZENS	\$44,811	\$1.300 mil
ADDITIONAL COSTS TO STATE	\$ 8,040	\$0.233
TOTAL ADDITIONAL COSTS TO STATE/COUNTY	\$52,851	\$1.533
TOTAL SAVINGS TO STATE	\$ 0	\$0.0
NET COST INCREASE FOR COURT SERVICES	\$52,851	\$1.533

OPTION 2. STATEWIDE DIRECT COST ESTIMATES OF CONSOLIDATION. (COURT SERVICES REDUCED IN 68 COUNTIES)

	Composite County	State Total
ADDITIONAL COSTS TO COUNTY/CITIZENS	\$ 67,711	\$ 4.604 mil
ADDITIONAL COSTS TO STATE	\$ 35,410	\$ 2.408
ADDITIONAL COSTS TO STATE/COUNTY	\$103,121	\$ 7.012
TOTAL SAVINGS TO STATE	\$ 9,302	\$ 0.632
NET COST INCREASE FOR COURT SERVICES	\$ 93,819	\$ 6.380

OPTION 3. STATEWIDE DIRECT COST ESTIMATES OF CONSOLIDATION. (COURT SERVICES REDUCED IN 86 COUNTIES)

	Composite County	State Total
ADDITIONAL COSTS TO COUNTY/CITIZENS	\$125,710	\$10.811 mil
ADDITIONAL COSTS TO STATE	\$ 30,620	\$ 2.633
ADDITIONAL COSTS TO STATE/COUNTY	\$156,330	\$13.444
TOTAL SAVINGS TO STATE PART C	\$ 18,604	\$ 1.600
NET COST INCREASE FOR COURT SERVICES	\$137,726	\$11.844